



Monday, 28th October 2024

Global economy chiefs fret over a Trump return as US election draws closer

Low growth, high debt and escalating wars topped the official agenda at the International Monetary Fund and World Bank annual meetings, but finance leaders spent much of their energy worrying about the potential impacts of a return of Donald Trump to power in November's US presidential election.

(www.reuters.com 28/10/24)

Emerging markets resilient amid global shift, governors tell panel

During a panel discussion arranged by the Reinventing Bretton Woods Committee on October 24, central bank governors and academics agreed that structural factors had helped emerging markets to grow resilient.

(www.centralbanking.com 25/10/24)

Central banks need to monitor non-bank risks more – Bailey

Central banks need new surveillance and liquidity provision tools to address the increasingly important non-bank sector, the Bank of England (BoE) governor has said. Speaking at the Bloomberg Regulatory Forum in New York, Andrew Bailey noted that there had been a shift in financial intermediation towards non-banks.

(www.centralbanking.com 25/10/24)

ECB communications are getting messy as rate cuts advance

So far, European Central Bank officials have mostly succeeded in steering the euro-zone economy toward 2% inflation with a single voice. But as they circle in on their target, views on what to do when are set to diverge. Points of friction were already evident last week in Washington, where policymakers gathered to discuss the state of the world economy and the challenges that might arise.

(www.bloomberg.com 28/10/24)

Growth, storm-impacted jobs numbers to set table ahead of Fed policy meeting

A week before Federal Reserve officials gather to reflect on the appropriate tempo of interest-rates cuts, three high-profile reports are set to show underlying resilience in the US economy and a temporary hiccup in job growth. (www.bloomberg.com 26/10/24)

China's central bank has new policy tool to manage liquidity

China's central bank is expanding its monetary policy toolkit to get a better handle on liquidity in the financial system as it seeks to add more levers to fine-tune the economy. The People's Bank of China will conduct outright reverse repurchase agreements with primary dealers monthly for a timeframe of no more than a year, according to a statement Monday.

(www.bloomberg.com 28/10/24)

China's steel and oil industries bear brunt of tepid economy

Chinese commodities producers centered on the old economy are still bearing the brunt of the nation's economic slowdown, with steelmakers and crude oil processors in particular continuing to rack up losses. Cumulative losses in the world's biggest steel industry swelled to 34bn yuan (\$5bn) over the first nine months of the year, according to data for September released by the statistics bureau on Sunday [27/10]. (www.bloomberg.com 28/10/24)

Strategists say election clouds outlook for Japanese markets

Political uncertainty will likely weigh on sentiment for investors in Japanese assets after the ruling coalition led by the Liberal Democratic Party failed to win a majority in parliament for the first time since 2009. The yen weakened, and Japanese stocks gained on Monday morning. (www.bloomberg.com 27/10/24)

EXCHANGE RATES OF SELECTED CURRENCIES

CURRENCIES	BUYING		SELLING	
+USD/GBP	1.2977	(1.2960)	1.2977	(1.2961)
+USD/EUR	1.0811	(1.0808)	1.0812	(1.0809)
*GHS/USD	16.1419	(16.0620)	16.1581	(16.0780)
*GHS/GBP	20.9474	(20.8163)	20.9683	(20.8387)
*GHS/EUR	17.4532	(17.3614)	17.4678	(17.3772)

+SOURCE: BOG INTERNAL TRANSACTION RATES: 28/10/24 (Rates for 25/10/24 in brackets)

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South Korea vows to fight volatility after Won hits three-month low

South Korea's finance minister has promised to act swiftly to curb excessive volatility in the won, the latest sign officials are growing nervous about the currency after it fell to a three-month low. Korean authorities "will respond promptly according to contingency plans" in the event of excessive volatility in either the currency or the country's broader financial markets, Finance Minister Choi Sang-mok said Monday. (www.reuters.com 28/10/24)

Singapore disinflation taking hold as growth recovers, MAS says

Singapore's disinflation trajectory is "well-entrenched", and the economy's recovery is seen extending into 2025, the central bank said in its latest review, while cautioning on growth and upside risks to prices. (www.bloomberg.com 28/10/24)

India central bank's rosy growth forecast baffles economists

The Reserve Bank of India's upbeat growth estimates for the world's fastest-growing major economy is causing both confusion and concern among economists. The central bank has stuck to its forecast that India's economy will expand 7.2% in the year ending March 2025 despite recent evidence showing activity is starting to taper off. (www.bloomberg.com 28/10/24)

Rupee pegged back by dollar, US yields; RBI expected to intervene again

The Indian rupee is expected to open largely unchanged, buoyed by expectations of the country's central bank yet again stepping in to negate the impact of a stronger dollar and a rise US Treasury yield. (www.reuters.com 28/10/24)

Taiwan Q3 growth seen slowing on dull investment, consumption

Economic growth in trade-dependent Taiwan was expected to slow in the third quarter with exports still robust on AI demand but moderating, while domestic investment and consumption are losing steam, a Reuters poll showed. (www.reuters.com 28/10/24)

European shares rise as key data and US tech earnings loom

European shares edged up on Monday as investors prepared for a busy schedule of key economic data releases and earnings from major US companies. The pan-European STOXX 600 (.STOXX) was up 0.2% at 519.80 points as of 0815 GMT. It logged its first weekly loss in three weeks on Friday [25/10]. The energy sector (.SXEP), which fell 1.7%, weighed on the benchmark. Oil prices tumbled 5% after Iran downplayed Israeli strikes. (www.reuters.com 28/10/24)

Oil slumps more than 4% after Iran downplays Israeli strikes

Oil prices tumbled more than \$3 a barrel on Monday after Israel's retaliatory strike on Iran over the weekend bypassed Tehran's oil and nuclear facilities and did not disrupt energy supplies, easing geopolitical tensions in the Middle East. Both Brent and US West Texas Intermediate crude futures hit their lowest levels since Oct. 1 at the open. By 0750 GMT, Brent was at \$72.92 a barrel, down \$3.13, or 4.1%, while WTI slipped \$3.15, or 4.4%, to \$68.63 a barrel. (www.reuters.com 28/10/24)

Egypt, IMF to gauge impact of \$8bn reform program on most vulnerable

Egypt is compiling a wide-ranging survey to gauge the impact of dramatic economic reforms on the Middle East's largest population and work with the International Monetary Fund on how to shield the most vulnerable, the lender's regional chief said. The readiness of Egypt's social protection programs is among the issues set to be discussed during IMF chief Kristalina Georgieva's planned visit to Cairo in early November. (www.bloomberg.com 28/10/24)

South African rand flat; mid-term budget the week's highlight

South Africa's rand was little changed in early trade on Monday, with Wednesday's mid-term budget the main focal point for investors this week. At 0720 GMT the rand traded at 17.67 against the US dollar, not far from its previous close of 17.6725. (www.reuters.com 28/10/24)

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